



# Committee On Finance

Max Baucus, Ranking Member

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## **Floor Statement of Senator Max Baucus (D-Mont.) Regarding the Oman Free Trade Agreement**

Two-and-a-half months ago, the Senate passed the United States-Oman Free Trade Agreement Implementation Act. We did so because we expected that this agreement will benefit our economy. That's still true. And we should pass it again today.

Under the agreement, virtually all American merchandise exports will enter Oman duty-free. Oman will eliminate most of its duties right away. And Oman will liberalize the remainder of its duties within ten years. This agreement gives free access to the growing Omani market to American industrial equipment, medical devices, frozen beef, and snack foods.

Oman has also agreed to go beyond its multilateral commitments to provide greater American access to its services markets. It has committed to protect intellectual property. It has committed to combat corruption and bribery. And it has implemented reforms of its labor laws to address American concerns.

I support this trade agreement on its merits. It is a good agreement. And it will strengthen our ties with a valuable partner in the Middle East. I urge my Colleagues to vote for it.

Some may wonder why a small agreement like this has generated any controversy. In part, that is due to the process by which this agreement came before Congress.

The Finance Committee unanimously adopted an amendment to the Oman implementing legislation. Then the administration rejected that amendment outright. This disregard for the constitutional authority of Congress over international trade only weakens support for the administration's trade policy.

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But more broadly, the controversy over Oman reflects more general frustration with trade agreements. In Congress, there is deep frustration with the way that the administration has negotiated these agreements. And there is frustration with the way that the administration has handled important issues like labor and the environment.

Americans are concerned about job losses. Americans associate globalization with threats to their jobs. And Americans are concerned that trade agreements might erode conditions in the workplace.

These issues will come to the fore as we approach the expiration of Trade Promotion Authority in the middle of next year. In the wake of the controversy surrounding Oman and other trade agreements, it is high time that we take a hard look at American trade policy. It is high time that we ask ourselves how we can make it work better.

For starters, we have to refocus our trade policy. We have to make sure that it helps American workers and businesses meet the competitive challenges that they face in the global marketplace. We have to rethink the types of trade initiatives that we pursue in the future. We have to build grassroots support for trade. And we have to pay far greater attention to domestic initiatives to increase our savings, reduce our trade deficit, improve education, and help the workers whom trade leaves behind.

I look forward to that debate. I look forward to laying the foundation for a broader consensus on trade. And I look forward to the day when we can once again join together on the trade agreements of the future.

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